

September 20, 2005

FDIC – San Francisco Regional Office  
Regional Director John F. Carter  
22 Jessie Street at Ecker Square, Ste. 2300  
San Francisco, CA 94105

Re: Wal-Mart Application for FDIC Insurance

Dear Mr. Carter:

As a community banker I feel I must write in response to your request for comments on Wal-Mart's application for FDIC insurance coverage. I strongly oppose this application for a number of reasons. Our bank, Farmers & Merchants State Bank of Springfield, MN, is a community bank in every sense of the word. We work to provide credit and financial management information for the betterment of our local community. F&M Bank is represented in leadership roles in virtually every community, civic and religious organization in Springfield. We support our community by providing classroom education on basic financial skills, we provide scholarship opportunities for youth, are the leader when it comes to fund drives for things such as hospital improvements, community center, swimming pool improvements and so much more. I want to stress to you the important role community banks play in their communities.

Wal-Mart has a reputation for destabilizing communities. They have been the driving force behind the closure of many drug stores, grocery stores and hardware stores along with other discount chains. Today Wal-Mart is embroiled in a legal suite over "Sweat Shop" conditions they overlook when buying discount priced foreign products. They also have had past, and have again today, various complaints of low wages, and no breaks for employees. There are reports that Wal-Mart pays near poverty level wages and then sends employees to the county Family Services office for food stamps and medical assistance. Being a community banker requires integrity and a belief in improving your community. Both attributes are apparently lacking at Wal-Mart.

Congress reaffirmed its opposition to the mixing of banking and commerce when it affirmed the Gramm-Leach-Bliley Act. A strong separation of commerce and banking ensures that all banking institutions are focused on the management of the financial institution. The application by Wal-Mart for FDIC insurance is not about a small commercial entity attempting to establish a small financial company. It is about a gigantic commercial operation with a questionable reputation attempting to establish a huge financial company.

Sincerely,

  
Daniel Olson

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(pomeri)  
CASE NAME: Wal-Mart Bank  
(Proposed)  
☐ DEC:  
☒ INST: App-FIC  
☐ NON-BK:  
☐ PCA/CA:  
☒ PO: SLC  
☒ W/O-RM: F-4046 (D. Hamm)  
☐ STATE:  
☒ OTHER: SF Legal Gickas  
☒ OTHER: DCH Sacramento  
ARD Docur.  
SCM Promani

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